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9 Attorneys for Reorganized Debtor

10 **UNITED STATES BANKRUPTCY COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION**

12 In Re

13 2ND CHANCE INVESTMENTS GROUP, LLC

14 Reorganized Debtor

Case No.: 8:22-bk-12142-SC

Chapter 11

15 **STATUS CONFERENCE REPORT BY**
16 **THE LIQUIDATING TRUST of 2nd**
17 **CHANCE INVESTMENT GROUP, LLC**

18 Hearing:

19 Date: February 12, 2025

20 Time: 11:00 a.m.

21 Location: Courtroom 5C – Virtual

22 411 West Fourth St.

23 Santa Ana, CA 92701

24 **TO THE HONORABLE SCOTT C. CLARKSON, UNITED STATES BANKRUPTCY**
25 **JUDGE, THE UNITED STATES TRUSTEE, THE OFFICIAL COMMITTEE OF**
26 **UNSECURED CREDITORS, AND ALL OTHER INTERESTED PARTIES:**

27 2nd Chance Investment Group, LLC., the Reorganized Debtor (“Debtor”) provides the
28 following Status Conference Report by the Liquidating Trust of 2nd Chance Investment Group,
LLC (“Report”) for events that transpired since the last status conference was held on October
23, 2024.

1 **A. Debtor in Possession is in Compliance with UST Guidelines**

2 Since the last status conference held on October 23, 2024, Debtor one quarterly post-
3 confirmation report on January 17, 2025, for the 2024 Quarter 4, to comply with post-
4 confirmation reporting requirements. Debtor is compliant under 11 U.S.C. §§521, 1006, and
5 1107, and with the applicable Guidelines of the Office of the United States Trustee (“UST”)¹.
6

7 **B. The Liquidating Trust**

8 The Plan created a liquidating trust that transferred assets of Debtor to the Liquidating
9 Trust. All real property of Debtor has been sold. The sole remaining assets of Debtor are causes
10 of action being pursued by the Official Committee of Unsecured Creditors (“Committee”). The
11 Liquidating Trust generally provides that costs associated with the litigation will be paid along
12 with other administrative fees of the estate with excess proceeds disbursed pro-rata to the general
13 unsecured class.
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16 **C. Liquidating Trust Distributions**

17 Grobstein Teeple, LLP prepared the PCR that was filed on January 17, 2025, ECF No.
18 461. The Q4 2024 PCR shows \$250.00 in disbursements with \$0 being paid in professional fees.
19
20

21 **D. Adversary Proceedings**

22 Clotee Downing

23 A. Geoff Trapp (“Trapp”) filed an adversary proceeding on behalf of Clotee Downing,
24 against Debtor and the former restructuring officer, creating case number 8:24-ap-01105-SC.
25 Debtor filed a motion to dismiss on September 11, 2024, AP ECF No. 10². Trapp filed an
26 opposition to the motion to dismiss on October 31, 2024, AP ECF No. 23. Debtor filed a reply to
27
28

¹ https://www.justice.gov/ust/file/volume_3_chapter_11_case_administration.pdf/download

² This Status Report will distinguish ECF Filings in the Clotee Downing Adversary Proceeding by including “AP” before the ECF docket number.

1 the opposition on November 6, 2024, AP ECF No. 24. The court granted the motion to dismiss
2 on November 12, 2024, AP ECF No. 28.

3 Trapp filed a Notice of Appeal and Statement of Election to the United States District Court
4 on November 27, 2024, AP ECF No. 31. On December 11, 2024, Trapp filed an Ex Parte
5 Request to Enlarge Time to File Designation of Record and Statement of Issues, AP ECF No. 37.
6 The court granted the request. On December 24, 2024, Trapp filed a second Ex Parte Request to
7 Enlarge Time to File Designation of Record and Statement of Issues, AP ECF No. 40. The court
8 granted the extension and extended the deadline to January 17, 2025, AP ECF No. 41, but the
9 order cautioned Trapp that no further extension will be granted. As of January 23, 2025, the
10 Designation of Record and Statement of Issues on Appeal has not been filed.
11

12 On November 20, 2024, Trapp filed a “Notice of Motion and Omnibus Motion for
13 Appointment of Pro Bono Counsel Per FRCP Rule 17(c)(2), and for Relief From Order
14 Authorizing Sale of Real property (Doc 313) Under FRCP Rule 60(b)(2), (3), (4), and/or (6), Or
15 In the Alternative, (d)(3)”, ECF No. 445, with a hearing set for March 13, 2025. The court
16 advanced the hearing to March 12, 2025.
17

18 Adversary Proceedings Filed the Committee
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20 B. Since the last status conference, The Committee filed nine additional adversary
21 complaints against various defendants.
22

23 a. Case# 8:24-ap-01164: The Committee stipulated with Defendant to extend the
24 deadline to respond to the Complaint to March 7, 2025.
25

26 b. Case# 8:24-ap-01163: The Answer to the complaint was due 1/21/25; no
27 response has been filed.
28

- c. Case# 8:24-ap-01162: The Answer to the complaint was due 1/21/25; no response has been filed.
- d. Case# 8:24-ap-01161: The Answer to the complaint was due 1/21/25; no response has been filed.
- e. Case# 8:24-ap-01160: The Answer to the complaint was due 1/21/25; no response has been filed.
- f. Case# 8:24-ap-01159: The Answer to the complaint was due 1/21/25; no response has been filed.
- g. Case# 8:24-ap-01158: The Answer to the complaint was filed on 1/21/25; the status conference is set for 3/12/25.
- h. Case# 8:24-ap-01157: The Answer to the complaint was due 1/21/25; no response has been filed.
- i. Case# 8:24-ap-01156: The Answer to the complaint was due 1/21/25; no response has been filed.

C. The following cases were filed prior to the last status conference and are in various stages of litigation:

- j. Case# 8:23-ap-01110: Pre-trial conference is set for May 21, 2025.
- k. Case# 8:23-ap-01111: Pre-trial conference is set for March 12, 2025.
- l. Case# 8:24-ap-01020: Committee filed a notice of settlement of case on January 6, 2025.
- m. Case# 8:24-ap-01021: Pre-trial conference is set for March 12, 2025.
- n. Case# 8:24-ap-01022: Pre-trial conference is set for March 12, 2025.
- o. Case# 8:24-ap-01024: Pre-trial conference is set for March 12, 2025.

p. Case# 8:24-ap-01025: Pre-trial conference is set for May 21, 2025.

January 23, 2025

Respectfully Submitted,

/s/ Richard Sturdevant

Richard Sturdevant
Attorneys for Liquidating Trust
1200 Main St., Suite C
Irvine, CA 92614

DECLARATION OF DAVID M. GOODRICH³

I, David M. Goodrich, declare as follows:

1. Except as otherwise stated, I have personal knowledge of the facts set forth in this Declaration and, if called as a witness, could and would testify competently to such facts under oath. I am submitting this supplemental declaration in support of the *Status Conference Report by the Liquidating Trust of 2nd Chance Investment Group, LLC* (“Status Report”).

2. I am the Liquidating Trustee of the Liquidating Trust 2nd Chance Investment Group, LLC.

3. Debtor filed a Post-Confirmation Report (“PCR”) on January 17, 2025, as ECF No. 461, which reports total cash disbursement of \$250 with \$0 being paid in professional fees. Grobstein Teeple, LLP prepared the PCR.

4. Debtpr’s Chapter 11 Plan created a liquidating trust that transferred assets of Debtor to the Liquidating Trust.

5. All real property of Debtor has been sold.

6. The sole remaining assets of Debtor are causes of action being pursued by the Official Committee of Unsecured Creditors (“Committee”).

7. Geoff Trapp filed an adversary proceeding on behalf of Clotee Downing, against Debtor and myself, creating case number 8:24-ap-01105-SC. Debtor filed a motion to dismiss on September 11, 2024, as ECF No. 10. The Court continued the hearing on the motion to dismiss to November 13, 2024, at 11:00 a.m.

8. Since the last status conference, The Committee filed nine additional adversary complaints against various defendants.

a. Case# 8:24-ap-01164: The Committee stipulated with Defendant to extend the deadline to respond to the Complaint to March 7, 2025.

³ All capitalized terms have the same definition or meaning as the capitalized terms in the Repor.

- b. Case# 8:24-ap-01163: The Answer to the complaint was due 1/21/25; no response has been filed.
- c. Case# 8:24-ap-01162: The Answer to the complaint was due 1/21/25; no response has been filed.
- d. Case# 8:24-ap-01161: The Answer to the complaint was due 1/21/25; no response has been filed.
- e. Case# 8:24-ap-01160: The Answer to the complaint was due 1/21/25; no response has been filed.
- f. Case# 8:24-ap-01159: The Answer to the complaint was due 1/21/25; no response has been filed.
- g. Case# 8:24-ap-01158: The Answer to the complaint was filed on 1/21/25; the status conference is set for 3/12/25.
- h. Case# 8:24-ap-01157: The Answer to the complaint was due 1/21/25; no response has been filed.
- i. Case# 8:24-ap-01156: The Answer to the complaint was due 1/21/25; no response has been filed.

9. The following cases were filed prior to the last status conference and are in various stages of litigation:

- j. Case# 8:23-ap-01110: Pre-trial conference is set for May 21, 2025.
- k. Case# 8:23-ap-01111: Pre-trial conference is set for March 12, 2025.
- l. Case# 8:24-ap-01020: Committee filed a notice of settlement of case on January 6, 2025.
- m. Case# 8:24-ap-01021: Pre-trial conference is set for March 12, 2025.

1 n. Case# 8:24-ap-01022: Pre-trial conference is set for March 12, 2025.

2 o. Case# 8:24-ap-01024: Pre-trial conference is set for March 12, 2025.

3 p. Case# 8:24-ap-01025: Pre-trial conference is set for May 21, 2025.

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8 I declare under the penalty of perjury that the foregoing is true and correct. Executed this
9 23rd day of January 2025, in Costa Mesa, California.

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12 _____
13 David M. Goodrich
14 Liquidating Trustee
15 2nd Chance Investment Group, LLC
16 Liquidating Trust
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In re: 2nd Chance Investment Group, LLC	Debtor(s).	CHAPTER: 11 CASE NUMBER: 8:22-bk-12142-SC
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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
1200 Main St., Suite C
Irvine, CA 92614

A true and correct copy of the foregoing document entitled (*specify*): **Status Conference Report by the Liquidating Trust of 2nd Chance Investment Group, LLC** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **10/03/2024**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Michael Jay Berger michael.berger@bankruptcypower.com,
yathida.nipha@bankruptcypower.com;michael.berger@ecf.inforuptcy.com
Amanda G. Billyard abillyard@bwlawcenter.com
Stephan M Brown ECF@thebklawoffice.com,
stephan@thebklawoffice.com;roslyn@thebklawoffice.com;brown.stephanb125317@notify.bestcase.com
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Jennifer C Wong bknotice@mccarthyholthus.com, jwong@ecf.courtdrive.com

In re:

2nd Chance Investment Group, LLC

Debtor(s).

CHAPTER 11

CASE NUMBER **8:22-bk-12142-SC**

2. SERVED BY UNITED STATES MAIL:

On __ - __, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

None

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on __ - __, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

None.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

January 23, 2025

Rich Sturdevant

/s/ Rich Sturdevant

Date

Printed Name

Signature